

## CORPORATE RESPONSIBILITY SUSTAINABILITY REPORT 2021

#### FOREWORD

FMH Conveyors International Ltd are market leading designers and manufacturers of systems solutions and materials handling equipment for conveying, sortation, loose loading and unloading within the UK and Internationally.

We are committed to working in partnership with our stakeholders to promote, support and improve all aspects of our Corporate Social Responsibilities including Sustainability and the Environment.

We understand our responsibility in protecting the environment and to promote sustainability. We continue to invest in training and resources to help improve our awareness, management and reduction of environmental impacts throughout the company and supply chain and to drive positive change.

#### Environmental -

The company maintains certification to the International Environmental Management Standard ISO 14001:2015 as part of our commitment to environmental responsibility.

Through identification and management of our environmental impacts FMH continue our mission to grow as a market leading company and to drive waste and pollution reduction processes at our UK based facility.

#### Sustainability -

FMH Conveyors International Ltd have committed to becoming Carbon Neutral since 2020.

We determine our scope 1 and scope 2 carbon emissions using Carbon Trust calculators and analyse, compare and communicate results annually.

Emissions are offset using verified carbon offset projects that are approved to a certifying standard such as the Verified Carbon Standard (VCS), Kyoto Compliant or Gold Standard verified emission reduction (VER) offsets.

## SUSTAINABLE DEVELOPMENT GOALS

FMH Conveyors International Ltd has identified four impact areas from the seventeen United Nations Sustainable Development Goals (SDG's) for which we will collect data, set targets, integrate into our core business, and communicate results.

# SUSTAINABLE GOALS



## Impact areas identified -





RESPONSIBLE

CONSUMPTION AND PRODUCTION

2

#### 3. Good Health and Well-being

Ensure healthy lives and promote well-being for all ages.

## 8. Decent Work and Economic Growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

## **12.** Responsible Consumption and Production

Ensure sustainable consumption and production patterns.



#### 13. Climate Action

Take urgent action to combat climate change and its impacts



## Good Health and Well-being

KPI – annual reduction in total incidents.

2021 was the second year of analysing Health and Safety data, and the results show the site achieved a 12% reduction in total incidents compared to 2020.

Improvements to Health and Safety are shown by the increase in days since the last 'Lost Time Accident'. For 2021 the site had achieved a record of 529 days.

## KPI – annual reduction in injuries requiring first aid.

For 2021 the number of injuries that required first-aid treatment reduced by 23%.

During 2020 the types of injury sustained were analysed and focus made on key areas. Changes of equipment and operating procedures resulted in a reduction in hand related injuries. This focus continued into 2021 and manual handling training was improved for new starters as part of their induction.

The company's risk assessment programme was further developed during 2021 with risk assessments in place for each production area and task specific assessments created.

Towards the end of the year individuals were assessed against manual handling assessment charts (MAC) and where necessary tasks were modified to suit the individual. These manual handling assessments will continue for operatives and tasks going forward.

## KPI – certification to ISO 45001:2018 by 2022.

The company are working towards certification to the International Standard for Occupational Health and Safety Management Systems ISO 45001:2018, expected during 2022.





## **Decent Work and Economic Growth**

KPI – Supplier Code of Conduct Policy due by end 2021 and issued to 100% of supply base by end 2022.

The company has a Code of Conduct to promote the expectation that our suppliers and agents conduct their relationship with us and any of our partners and other suppliers on a fair and ethical basis and in compliance with our core principles of sustainability.

- Human Rights
- Compliance with Applicable International, National, State and Local Laws
- Forced or Compulsory Labour
- Child Labour
- Equality and Diversity
- Employee Well-Being and Development
- Disciplinary Practices
- Freedom of Association
- Health and Safety
- Confidentiality and Intellectual Property
- Refusal of Bribery and Corruption in Business
  Practices
- Environmental Impacts

KPI – to record and improve skills and employee satisfaction through job training programmes. To achieve a minimum of 8 hours training per employee per annum.

80
£255 per head
8.05hrs
1.24%



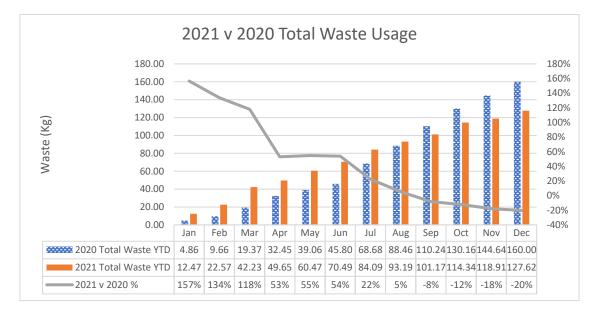
# **Responsible Consumption and Production**

KPI – Sustainable Procurement training provided for Purchasing Manager by end 2021 and completed by all Purchasing staff by end 2022.

To promote awareness and embed procurement practices that are sustainable.

## KPI – 2% annual reduction of total waste per £1m turnover

2020 result	£21.3m	175t	8.22 ton/£m
2021 result	£17.5m	140t	8.00 ton/£m



KPI – to phase out products or chemicals with high environmental impacts.

- New equipment to contain R32 refrigerant only.
- Fleet of all electric forklifts purchased to replace LPG.

KPI – to source and evaluate environmentally responsible electricity suppliers by 2021.

ENGIE contracted for electricity supply.



## **Climate Action**

KPI – to annually meet the industry standard energy performance benchmark from the Carbon Trust.



## **Energy Benchmark Results 2021**

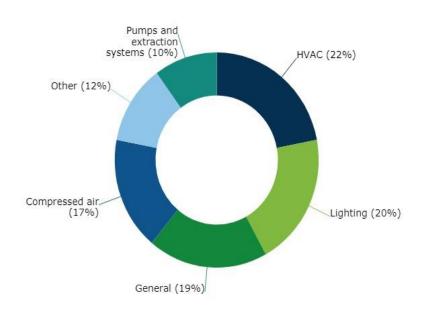
Main sector: Manufacturing Site area (m2): 9000 Energy data (Annual) Electricity units: kWh Natural gas units: kWh

Subsector: Light engineering consumption: 293,027

494,040

consumption:

# Estimated energy profile for the site – "performing within the industry standard"





## **Climate Action**

## DATA & VERIFICATION

Transactional data was recorded as follows.

	<u>2020</u>	<u>2021</u>	
Electricity	320,830	293,027	kWh
Natural Gas	420,295	494,040	kWh
Diesel	23,184	35,132	litres
R410A	10.5	12	kg
R407C	2.4	2.4	kg
LPG	920	764	litres

## Electricity and Gas

Figures are within the Carbon Trust industry standards and will change in line with turnover. Gas utilisation was higher due to heating of new additional premises however the temperature settings and operational timings for heating will be reviewed going forward.

## Diesel

Pandemic restrictions eased in 2021 with engineers and sales teams able to travel. Data collection has also been improved.

## Refrigerant

New air conditioning equipment will have R32 refrigerant with a lower Global Warming Potential to replace R410a and R407c.

## LPG

A fleet of all-electric forklifts has been added to replace the propane units. This will remove the requirement for LPG.



## **Climate Action**

KPI – to determine our Scope 1 and Scope 2 emissions and to reduce by 2% annually per £m turnover.



Total emissions (kgCO <sub>2</sub> e)	<u>2020</u>	<u>2021</u>
Scope 1 Scope 2	69% 31%	77% 23%
Total emissions tCO2e Scope 1 emissions tCO2e	239 164	271 209
Scope 2 emissions tCO <sub>2</sub> e	75	62
Turnover (£m)	21.3	17.5
tCO2e/£m income	11.22	15.49

Implications of pandemic and lockdown working in 2020 would have contributed to any benchmark being unbalanced and a target of 2% reduction for 2022 will be set against a baseline 2021 data.

Improvement initiatives have continued including a change to all-electric forklifts, removal of LPG, new efficient boilers, transition to green power providers and increased LED lighting



**ECO-VADIS** 

The EcoVadis Rating covers a broad range of non-financial management systems including Environmental, Labour and Human Rights, Ethics and Sustainable Procurement impacts.

FMH Conveyors International achieved a Gold EcoVadis rating, placing it in the top 5% of companies globally which is a great achievement given Ecovadis have rated over 75,000 trading partners worldwide including some of the world's largest organisations.



The company have successfully offset 272 tonnes of CO2 emissions and remain CARBON NEUTRAL for 2021.



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